(b) if so, the details of expected fiscal collection by this levy;

(c) whether Government has analysed the negative impact on agricultural sector due to such proposed development cess on agriculture; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) There is no such proposal presently, with the Government.

(b) to (d) Does not arise in view of (a) above.

Direct tax collection

†1565. SHRI UDAY PRATAP SINGH: Will the Minister of FINANCE be pleased to state:

(a) the status of the direct tax collection during the year 2007-08; and

(b) the ratio of corporate tax and personal tax in the collection of direct tax?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) The provisional net direct tax collection up to Oct 2007 is Rs. 1,28,864 crore and is up by Rs. 38,846 crore over the net collections during the corresponding period in 2006-07 at a growth rate of 43.15%.

(b) The ratio of the Corporate Income-Tax and Personal Income-Tax in the provsional net direct tax collection up to Oct 2007 is 61:39.

Service tax on services provided in other countries by Indian industries

†1566. SHRI BANWARI LAL KANCHHAL: Will the Minister of FINANCE be pleased to state:

(a) whether Government is levying service tax on the services provided by Indian industries in other countries;

(b) whether levying of service tax on services in other countries is justified;

(c) whether any Minister of Government had announced taking back this tax on 1 st April, 2007, which is yet to be implemented; and

(d) by when Government is going to abolish the service tax on the services provided in other countries?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) Chapter V of Finance Act, 1994 containing provisions relating to service tax extends to whole of India except the State of Jammu & Kashmir. Taxable services provided, whether or not by an Indian industry, outside India and consumed outside India do not fall within the scope of the said Act.

(b) to (d) Does not arise in view of (a) above.

Bilateral Air Service Agreement

1567. SHRI RAMDAS AGARWAL: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether Government has entered into bilateral Air Service Agreements (ASAs) with many countries including SAARC countries;

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†Original notice of the question was received in Hindi.

(b) if so, the present record of growth in civil aviation during 2007 as compared to 2006 particularly in International traffic;

(c) whether Government proposes to get rid of old pre liberalization era/arbitrary conditions in international sector; and

(d) what concrete steps Government proposes to take to improve ASAs utilizations of India's air services agreement by encouraging both domestic/private airlines to fly abroad for better international connectivity?

THE MINISTER OF STATE OF THE MFNISTRY OF CIVIL AVIATION (SHRI PRAFUL PATEL): (a) Yes, Sir. At present, India has bilateral Air Services Agreements (ASA) with 101 countries including all SAARC Member countries.

(b) Domestic traffic is growing at the rate of around 45% per annum and international traffic at the rate of around 15% per annum.

(c) and (d) Yes, Sir. The Government has taken several steps to improve the international connectivity as under:—

(i) Incorporation of multiple designation clause in the ASAs.

(ii) Conclusion of bilateral agreements with serveral countries liberalizing the traffic entitlements and route schedule.

(iii) Daily operations to metropolitan cities and unlimited access to 18 tourist gateways in India offered to all ASEAN and SAARC countries.

(iv) ASA based on Open Sky Principles has been signed with USA.

(v) Permission has been granted to private Indian scheduled carriers to operate on international routes subject to certain eligibility criteria.

(vi) Permission to the designated airlines of foreign countries to operate daily services to at least two airports in India.

(vii) Removal of mandated commercial agreements by 1.1.2010.

. (viii) Open Sky Policy for cargo flights.

(ix) Deregulation of the tariff regime.

(x) Limited Open Sky Policy during peak winter season.

Increase in prices of essential commodities

† 1568. SHRI JANESHWAR MISHRA:
SHRI MOTIUR RAHMAN:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that contant increase in the prices of essential commodities of daily use during the last three years has made the lives of people extremely difficult;

(b) if so, whether it is also a fact that all the efforts made so far by Government to control price-rise have failed;

(c) if so, whether Government is considering to take any effective steps to check the infiation; and

† Original notice of the question was received in Hindi,